May 20, 2019

Bridget Bohac, Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087, MC 105
Austin, Texas 78711-3087

Re: Executive Director’s Response to Hearing Requests and Requests for Reconsideration Brief for Texas LNG Brownsville, LLC
Permit No. 139561
TCEQ Docket No. 2019-0624-AIR

Dear Ms. Bohac:

Enclosed please find a copy of the Executive Director’s Response to Hearing Requests brief for the above referenced item. If you have any questions, please do not hesitate to call me at extension 2496.

Sincerely,

Sierra Redding
Attorney
Environmental Law Division

Enclosures
EXECUTIVE DIRECTOR'S RESPONSE TO HEARING REQUESTS AND REQUESTS FOR RECONSIDERATION

I. Introduction

The Executive Director (ED) of the Texas Commission on Environmental Quality (commission or TCEQ) files this response (Response) to the requests for a contested case hearing and requests for reconsideration submitted by persons listed herein regarding the above-referenced matter. The Texas Clean Air Act (TCAA), Texas Health & Safety Code (THSC) § 382.056(n), requires the commission to consider hearing requests in accordance with the procedures provided in Tex. Water Code (TWC) § 5.556.¹ This statute is implemented through the rules in 30 Texas Administrative Code (TAC) Chapter 55, Subchapter F.

A map showing the location of the terminal is included with this Response and has been provided to all requestors for this application. In addition, a current compliance history report, technical review summary, modeling audit, and draft permit prepared by the ED's staff have been filed as backup material for the commissioners' agenda. The ED's Response to Comments (RTC), which was mailed by the chief clerk to all persons on the mailing list, is on file with the chief clerk for the commission’s consideration.

II. Description of Facility

Texas LNG Brownsville, LLC (Texas LNG or Applicant) has applied to the TCEQ for a New Source Review Authorization under Texas Clean Air Act (TCAA), § 382.0518. This will authorize the construction of a new facility that may emit air contaminants.

This permit will authorize the Applicant to construct a liquefied natural gas (LNG) export terminal (the terminal). The terminal would be located east from Brownsville on State Highway 48. The Applicant provided the following directions to the site: From the intersection of State Highway 48 and State Highway 550, continue on State Highway 48 for 12.2 miles, the gate to the location is on the right, Brownsville, Cameron County. Contaminants authorized under this permit include: nitrogen oxides (NOₓ), carbon monoxide (CO), organic compounds, particulate matter (PM), including PM with diameters of 10 microns or less (PM₁₀) and 2.5 microns or less (PM₂.₅), sulfur

¹ Statutes cited in this response may be viewed online at www.statutes.legis.state.tx.us. Relevant statutes are found primarily in the THSC and the TWC. The rules in the TAC may be viewed online at www.sos.state.tx.us/tac/index.shtml or follow the “Rules” link on the TCEQ website at www.tceq.texas.gov.
dioxide (SO₂), and hazardous air pollutants, including, but not limited to hydrogen sulfide.

**III. Procedural Background**

The permit application was received on March 24, 2016 and declared administratively complete on April 1, 2016. The Notice of Receipt and Intent to Obtain an Air Quality Permit (public notice) for this permit application was published in English on April 27, 2016, in *The Brownsville Herald* and in Spanish on April 27, 2016, in *El Nuevo Heraldo*. The Notice of Application and Preliminary Decision for an Air Quality Permit (second public notice) and Notice of Public Meeting was published on September 25, 2016, in English in *The Brownsville Herald* and in Spanish on September 25, 2016, in *El Nuevo Heraldo*. A public meeting was held on October 11, 2016, in Brownsville. The public comment period ended on October 25, 2016. Because this application was received after September 1, 2015, it is subject to the procedural requirements of and rules implementing Senate Bill 709 (84th Legislature, 2015).

The ED's RTC was filed with the Chief Clerk's Office on March 19, 2019, and mailed to all interested persons on March 25, 2019, including those who asked to be placed on the mailing list for this application and those who submitted a comment or requests for a contested case hearing. The cover letter attached to the RTC included information about making requests for a contested case hearing or for reconsideration of the ED's decision. The letter also explained that hearing requestors should specify any of the ED's responses to comments they dispute and the factual basis of the dispute, in addition to listing any disputed issues of law or policy.

**IV. Applicable Law for Requests for Reconsideration**

Any person may file a request for reconsideration of the Executive Director's decision. However, for the commission to consider the request, it must substantially comply with the following requirements set forth in 30 TAC § 55.201(e): give the name, address, day-time telephone number and, when possible, fax number of the person who files the request; expressly state that the person is requesting reconsideration of the Executive Director's decision; and give reasons why the decision should be reconsidered.

**V. Response to Request for Reconsideration**

John Young stated that he had three requests for reconsideration. Those requests are:

1. Reconsideration of the deadline for filing reconsideration and a contested case hearing if inadequate information regarding the pending permit was not on file at the TCEQ's Harlingen office within a reasonable amount of time before the deadline.

2. Reconsideration of the way TCEQ handles contested case hearing requests.

3. Reconsideration of the way TCEQ determines what is and is not required to adequately protect human health and the environment.
Although Mr. Young expressly stated that he is requesting reconsideration, his requests do not appear to be requesting reconsideration of the ED's decision regarding Texas LNG Brownsville's application and draft permit. Rather, his first request relates to the deadline to file a request for a contested case hearing and reconsideration, and his other two requests relate to TCEQ policies and procedures generally. Mr. Young did not specify for which responses in the RTC he is requesting reconsideration, except in the discussion of his third request he questioned the meaning of the term “protective” as used in Response 6 of the RTC. The ED provides the following responses to the requests for reconsideration.

REQUEST FOR RECONSIDERATION 1: Mr. Young requested reconsideration of the deadline for filing reconsideration and a contested case hearing if adequate information was not on file at the TCEQ Harlingen regional office within a reasonable amount of time before the deadline. He stated that he went to the Harlingen office to obtain the information, and staff was able to locate the Texas LNG Brownsville 2016 permit application and 2016 6-page review of the application. Mr. Young compared this information to that available for the Rio Grande LNG application and noted that more information was available for the Rio Grande application. He questioned whether the Texas LNG draft permit changed enough since the 2016 public meeting and the 2019 deadline for reconsideration to warrant the issuance of the most recent draft copy for public review.

RESPONSE: The Texas LNG application, draft permit, and technical review have not changed since the issuance of the combined Notice of Application and Preliminary Decision and Public Meeting. As stated by Mr. Young, TCEQ staff at the Harlingen office located the information and made it available to Mr. Young. Additionally, this information is required to be available at the Port Isabel Library, 213 Yturria Street, Port Isabel, Cameron County, Texas. The Texas LNG application and draft permit are markedly different from the Rio Grande application and draft permit, which accounts for the difference in the amount of information available. The proposed Texas LNG terminal is considered a minor source under the TCEQ rules, whereas Rio Grande LNG is a major source that triggered PSD review.

REQUEST FOR RECONSIDERATION 2: Mr. Young requested reconsideration of the way TCEQ handles requests for contested case hearings. He stated that the basis for disapproval of some of the hearing requests for Rio Grande LNG seemed arbitrary and contrary to common sense, medical science, and the laws of nature. He noted Rio Grande LNG’s statement on TCEQ's consideration of distance when evaluating hearing requests and a scientific study regarding distance from emission sources and human health. He stated that TCEQ seems to consider the financial concerns of applicants rather than the financial concerns of communities that submit hearing requests. Mr. Young advocated that the TCEQ should grant more hearing requests.

RESPONSE: The TCAA § 382.056(n), requires the commission to consider hearing requests in accordance with the procedures provided in TWC § 5.556. This statute is

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2 Statutes cited in this response may be viewed online at www.statutes.legis.state.tx.us. Relevant statutes are found primarily in the THSC and the TWC. The rules in the TAC may be viewed online at www.sos.state.tx.us/tac/index.shtml, or follow the “Rules” link on the TCEQ website at www.tceq.texas.gov.
implemented through the rules in 30 TAC Chapter 55, Subchapter F. Further, this request does not expressly state a request for reconsideration of the ED’s decision on Texas LNG Brownsville's permit application and draft permit.

**Request for Reconsideration 3:** Mr. Young requested reconsideration of the way TCEQ determines what is and is not required to adequately protect human health and the environment. He questioned the use and meaning of the term, “protective”, in the ED’s response to Comment 6 in the RTC. He asked how adequate and up to date are the air dispersion modeling programs used by companies seeking air quality permits and requested a comparison to the Intervention Model for Air Pollution. He asked how up to date TCEQ’s rules, regulations, and procedures for PM2.5 are in protecting the public and cited an academic paper. Lastly, he asked, “how successful have TCEQ’s rules, regulations, and procedures been in keeping a lid on fracking and other such industrial emissions in the Permian Basin area and across Texas”? He referenced his comments on the Annova LNG project and cited studies.

**Response:** Although Mr. Young references the ED’s response to Comment 6 in the RTC, this request does not expressly state a request for reconsideration of the ED’s decision on Texas LNG Brownsville’s permit application and draft permit. Rather, he questioned the commission’s policies and procedures generally; therefore, the ED is not providing a response to Mr. Young’s questions.

**VI. The Evaluation Process for Hearing Requests**

HB 801 established new statutory procedures for public participation in certain environmental permitting proceedings, specifically regarding public notice and public comment and the commission's consideration of hearing requests. SB 709 revised the requirements for submitting public comment and the commission's consideration of hearing requests. The evaluation process for hearing requests is as follows:

**A. Response to Request**

The Executive Director, the Public Interest Counsel, and the Applicant may each submit written responses to a hearing request. 30 TAC § 55.209(d).

Pursuant to 30 TAC § 55.209(e), responses to hearing requests must specifically address:

1) whether the requestor is an affected person;
2) whether issues raised in the hearing request are disputed;
3) whether the dispute involves questions of fact or of law;
4) whether the issues were raised during the public comment period;
5) whether the hearing request is based on issues raised solely in a public comment withdrawn by the commenter in writing by filing a withdrawal letter with the chief clerk prior to the filing of the Executive Director's Response to Comment;
6) whether the issues are relevant and material to the decision on the application; and

7) a maximum expected duration for the contested case hearing.

B. Hearing Request Requirements

In order for the commission to consider a hearing request, the commission must first determine whether the request meets certain requirements:

Affected persons may request a contested case hearing. The request must be made in writing and timely filed with the chief clerk. Pursuant to 30 TAC § 55.201(c), the request must be based only on the requestor's timely comments, and may not be based on an issue that was raised solely in a public comment that was withdrawn by the requestor prior to the filing of the Executive Director's Response to Comment.

A hearing request must substantially comply with the following, as provided in 30 TAC § 55.201(d):

1) give the name, address, daytime telephone number, and, where possible, fax number of the person who files the request. If the request is made by a group or association, the request must identify one person by name, address, daytime telephone number, and, where possible fax number, who shall be responsible for receiving all official communications and documents for the group;

2) identify the person's personal justiciable interest affected by the application, including a brief, but specific, written statement explaining in plain language the requestor's location and distance relative to the proposed facility or activity that is the subject of the application and how and why the requestor believes he or she will be adversely affected by the proposed facility or activity in a matter not common to members of the general public;

3) request a contested case hearing;

4) list all relevant and material disputed issues of fact that were raised during the public comment period by the requestor and that are the basis of the hearing request. To facilitate the commission's determination of the number and scope of issues to be referred to hearing, the requestor should, to the extent possible, specify any of the executive director's response to comments that the requestor disputes and the factual basis of the dispute and list any disputed issues of law; and

5) provide any other information specified in the public notice of application.
C. Requirement that Requestor be an Affected Person / “Affected Person” Status

In order to grant a contested case hearing, the Commission must determine that a requestor is an “affected” person. Section 55.203 sets out who may be considered an affected person:

(a) For any application, an affected person is one who has a personal justiciable interest related to a legal right, duty, privilege, power, or economic interest affected by the application. An interest common to members of the general public does not qualify as a personal justiciable interest.

(b) Except as provided by §55.103 of this title (relating to Definitions), governmental entities, including local governments and public agencies, with authority under state law over issues raised by the application may be considered affected persons.

(c) In determining whether a person is an affected person, all factors shall be considered, including, but not limited to, the following:

(1) whether the interest claimed is one protected by the law under which the application will be considered;

(2) distance restrictions or other limitations imposed by law on the affected interest;

(3) whether a reasonable relationship exists between the interest claimed and the activity regulated;

(4) likely impact of the regulated activity on the health and safety of the person, and on the use of property of the person;

(5) likely impact of the regulated activity on use of the impacted natural resource by the person;

(6) for a hearing request on an application filed on or after September 1, 2015, whether the requestor timely submitted comments on the application that were not withdrawn; and

(7) for governmental entities, their statutory authority over or interest in the issues relevant to the application.

With respect specifically to air quality permits, the activity the commission regulates is the emissions of air contaminants into the atmosphere. Any person who plans to construct or modify a facility that may emit air contaminants must receive authorization from the commission. Commission rules also include a general prohibition against causing a nuisance. Further, for air quality permits, distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person’s interests because of the dispersion and effects of individual air contaminants emitted from a facility.
For applications filed on or after September 1, 2015, 30 TAC § 55.201(d) allows the commission to also consider, to the extent consistent with case law:

1) the merits of the underlying application and supporting documentation in the commission’s administrative record, including whether the application meets the requirements for permit issuance;

2) the analysis and opinions of the executive director; and

3) any other expert reports, affidavits, opinions, or data submitted by the executive director, the Applicant, or hearing requestor.

D. Requests by a Group or Association.

A group or association may request a contested case hearing only if the group or association meets all of the following requirements:

1) one or more members of the group or association would otherwise have standing to request a hearing in their own right;

2) the interests the group or association seeks to protect are germane to the organization's purpose; and

3) neither the claim asserted nor the relief requested requires the participation of the individual members in the case. 30 TAC § 55.205(a).

For applications filed on or after September 1, 2015, a request may not be granted unless all of the following requirements are met:

1) comments on the application are timely submitted by the group or association;

2) the request identifies, by name and physical address, one or more members of the group or association that would otherwise have standing to request a hearing in their own right;

3) the interests the group or association seeks to protect are germane to the organization’s purpose; and

4) neither the claim asserted nor the relief requested requires the participation of the individual members in the case. 30 TAC § 55.205(b).

E. Requests by Governmental Entities

In determining whether a governmental entity is an affected person, the governmental entity’s statutory authority or interest in the issues relevant to the application shall also be considered. 30 TAC § 55.203(b)(7).
F. Referral to the State Office of Administrative Hearings

“When the commission grants a request for a contested case hearing, the commission shall issue an order specifying the number and scope of the issues to be referred to SOAH for a hearing.” 30 TAC § 50.115(b). The commission may not refer an issue to SOAH for a contested case hearing unless the commission determines that the issue:

1) involves a disputed question of fact or a mixed question of law and fact;
2) was raised during the public comment period by an affected person whose hearing request is granted; and
3) is relevant and material to the decision on the application. 30 TAC § 50.115(c).

VII. Analysis of the Hearing Requests

A. Governmental Entities

1. City of Port Isabel

The Executive Director reviewed the factors found in 30 TAC § 55.201(c) and (d), and § 55.203 for determining if a person is an affected person, and recommends the Commission find that the City of Port Isabel is not an affected person.

The City of Port Isabel submitted a timely comment that included a hearing request and an additional hearing request during the 30-day period after the ED filed the RTC. The hearing requests were in writing, provided the required contact information, and included issues that are the basis of its hearing request. In both hearing requests, Port Isabel indicated that the proposed terminal was located within or near its ETJ. In its hearing request, dated October 13, 2016, Port Isabel indicated that the proposed terminal would be located 1.63 miles or less from the city limits; however, in its hearing request dated April 24, 2019, it indicated that the proposed terminal would be located 2 miles or less from the city limits. Additionally, in both hearing requests, Port Isabel listed various properties owned by the city and their distance relative to the proposed terminal. However, the distances in the October 13, 2016 hearing request are different from the distances in the April 24, 2019 hearing request. According to Port Isabel’s April 24, 2019 hearing request, the nearest property to the proposed terminal is the city’s animal shelter and police training facility, which it stated is one mile from the property boundary of the proposed terminal.3

The City of Port Isabel stated that the listed properties provide services to the youth, the elderly, and other populations vulnerable to respiratory distress or sensitive to exposure to elevated levels of pollutants and are used by city employees and participants in city programs to conduct strenuous outdoor activities. However, Port

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3 In the October 13, 2016 hearing request, the City of Port Isabel stated that the distance was 1.77 miles.
Isabel did not articulate how the individuals using these properties would be impacted differently from the general public.

For air authorizations, the distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person’s interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of the City of Port Isabel to the relative location of the proposed terminal, the health and safety of individual citizens would not be impacted in a manner different from the general public. Further, Port Isabel’s hearing request regarding its ETJ is vague, and failed to demonstrate any statutory authority it has in its ETJ that is relevant to the Texas LNG Brownsville, LLC application and draft permit.

Therefore, given the distance of the City of Port Isabel from the proposed terminal and its failure to demonstrate any statutory authority it has in its ETJ, the ED recommends that the Commission find that the City of Port Isabel is not an affected person based on the criteria in 30 TAC § 55.203.

In its hearing requests, Port Isabel raised the following issues:

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

Issue 2: Whether the proposed terminal will negatively impact air quality.

Issue 3: Whether the proposed terminal will negatively impact the local economy, specifically businesses that rely on tourism.

Issue 4: Whether the proposed permit will be protective of welfare, including plants, marine life, animals, and the environment.

Issue 5: Whether noise from the proposed terminal will negatively impact surrounding areas and nearby residents.

Issue 6: Whether the background monitoring concentrations used in the Air Quality Analysis modeling for this application were appropriate.

Issue 7: Whether cumulative impacts of surrounding LNG projects were appropriately accounted for in the Air Quality Analysis modeling for this application.

Issue 8: Whether Cameron and Hidalgo counties are in attainment for the NAAQS.

Issue 9: Whether the proposed location is suitable for an LNG terminal.

Issue 10: Whether the proposed permit is protective of dust emissions from the proposed terminal.
Issue 11: Whether the proposed terminal will negatively impact threatened and endangered species.

2. City of South Padre Island

The Executive Director reviewed the factors found in 30 TAC § 55.201(c) and (d), and § 55.203 for determining if a person is an affected person, and recommend the Commission find that the City of South Padre Island is not an affected person.

The City of South Padre Island submitted a timely comment during the comment period and a hearing request during the 30-day period after the ED filed the RTC. The hearing request was in writing, provided the required contact information, and included issues that are the basis of its hearing request. South Padre Island stated that it is located more than one mile from the proposed terminal. The City did not demonstrate that it either has statutory authority over or an interest in issues relevant to the Texas LNG Brownsville, LLC application and draft permit.

For air authorizations, the distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person's interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of the City of South Padre Island to the relative location of the proposed terminal, the health and safety of individual citizens would not be impacted in a manner different from the general public. Therefore, given the distance of the City from the proposed terminal, the ED recommends that the Commission find that the City is not an affected person based on the criteria in 30 TAC § 55.203.

In its hearing request, the City raised the following issues:

Issue 2: Whether the proposed terminal will negatively impact air quality.

Issue 3: Whether the proposed terminal will negatively impact the local economy, specifically businesses that rely on tourism.

Issue 6: Whether the background monitoring concentrations used in the Air Quality Analysis modeling for this application was appropriate.

Issue 7: Whether cumulative impacts of surrounding LNG projects were appropriately accounted for in the Air Quality Analysis modeling for this application.

Issue 10: Whether the proposed permit is protective of dust emissions from the proposed terminal.

Issue 12: Whether the elevated levels of pollutants will diminish the environment.
B. Groups and Associations

1. Vecinos Para el Bienestar de la Comunidad Costera (VBCC)
   a. Whether the group or association submitted timely comments on the application

      VBCC submitted timely comments on the Texas LNG Brownsville, LLC application. The ED has determined that VBCC meets this requirement for associational standing.

   b. Whether one or more members of the group or association would otherwise have standing to request a hearing in their own right.

      VBCC submitted three timely hearing requests. According to the hearing requests, Erika Avila has standing to participate in a contested case hearing for this permit. According to the hearing requests dated October 24, 2016 and April 24, 2019, Ms. Avila resides within 3 miles of the location of the proposed terminal.

      For air authorizations, distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person's interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of Ms. Avila’s residence to the relative location of the proposed terminal, her health and safety would not be impacted in a manner different from the general public. Therefore, given the distance of Ms. Avila’s residence from the proposed terminal, the ED recommends that the Commission find that Ms. Avila is not an affected person based on the criteria in 30 TAC § 55.203.

      The ED has determined that VBCC does not meet this requirement for associational standing.

   c. Whether the interests the group or association seeks to protect are germane to the organization’s purpose.

      According to its May 27, 2016 hearing request, VBCC seeks “to protect and improve the health, standard of living, and economic development of the coastal community in the Rio Grande Valley of South Texas” and has the specific goal of improving outdoor air quality and protecting the health and safety of its members. The ED has determined that VBCC meets this requirement for associational standing.

   d. Whether the claim asserted or the relief requested requires the participation of the individual members in the case.

      The relief requested by VBCC does not require the participation of any individual member of VBCC. Therefore, the ED has determined that VBCC meets this requirement for associational standing.
Because VBCC does not meet all four of the criteria for associational standing, the ED recommends that the Commission find that VBCC is not an affected person.

In its hearing request, VBCC raised the following issues:

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

Issue 2: Whether the proposed terminal will negatively impact air quality.

Issue 4: Whether the proposed permit will be protective of welfare, including plants, marine life, animals, and the environment.

Issue 13: Whether the composition of the incoming gas stream was appropriately represented in the application.

Issue 14: Whether emissions from flares at the proposed terminal were appropriately estimated.

Issue 15: Whether the Best Available Control Technology (BACT) analysis in the permit application was adequate and complete.

Issue 16: Whether the controls proposed in the permit constitute BACT.

Issue 17: Whether the application contains sufficient support that the assumed destruction efficiencies of the flares can be achieved in practice.

Issue 18: Whether the application is sufficient to determine compliance with the assumed destruction efficiencies of the flares.

Issue 19: Whether fugitive emissions were appropriately represented and calculated in the permit application.

Issue 20: Whether the proposed permit contains adequate monitoring requirements for fugitive sources.

Issue 21: Whether the emissions of SO₂ and H₂S were underestimated and therefore excluded the proposed terminal from PSD review.

Issue 22: Whether the application is complete and provides sufficient information for TCEQ to develop a draft permit.

Issue 23: Whether the application lacks air impacts modeling and additional impacts analysis.

Issue 33: Whether there will be an increased risk of accidents and explosions.
2. Shrimpers and Fishermen of the RGV (SFRGV)
   
   a. Whether the group or association submitted timely comments on the application.

   SFRGV submitted timely comments on the Texas LNG Brownsville application. The ED has determined that SFRGV meets this requirement for associational standing.

   b. Whether one or more members of the group or association would otherwise have standing to request a hearing in their own right.

   According to the hearing request, Lela Burnell has standing to request a hearing in her own right. The hearing request did not indicate the distance from Ms. Burnell’s residence to the proposed terminal. However, the ED determined based on the address provided for Ms. Burnell (32711 San Carlos Rd., Los Fresnos, Texas 78566) that she resides approximately 19 miles from the proposed terminal location.

   For air authorizations, distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person’s interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of Ms. Burnell’s residence from the relative location of the proposed terminal, her health and safety would not be impacted in a manner different from the general public. Therefore, given the distance of Ms. Burnell’s residence from the proposed terminal, the ED recommends that the Commission find that Ms. Burnell is not an affected person based on the criteria in 30 TAC § 55.203.

   The ED has determined that SFRGV does not meet this requirement for associational standing.

   c. Whether the interests the group or association seeks to protect are germane to the organization’s purpose.

   According to the hearing request, the mission statement of SFRGV is: “Shrimpers and Fisherman of the RGV (United in Christ Love our Land and Sea) have united to form a representation of individuals that depend on the area of the Brownsville Ship Channel for our livelihood in regards to our income or for our source of rejuvenation in nature. We unite with Christ to serve as stewards of the blessings of the use and enjoyment of the area. We intend to peacefully express our concern and spread the word in the community when our waters and our land is in danger. We will continue to unify and look for innovative solutions to keep our area healthy and thriving.” The ED has determined that SFRGV meets this requirement for associational standing.

   d. Whether the claim asserted or the relief requested requires the participation of the individual members in the case.
The relief requested by SFRGV does not require the participation of any individual member of SFRGV. Therefore, the ED has determined that SFRGV meets this requirement for associational standing.

Because SFRGV does not meet all four of the criteria for associational standing, the ED recommends that the Commission find that SFRGV is not an affected person.

In its hearing request, SFRGV raised the following issues:

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

Issue 2: Whether the proposed terminal will negatively impact air quality.

Issue 4: Whether the proposed permit will be protective of welfare, including plants, marine life, animals, and the environment.

Issue 13: Whether the composition of the incoming gas stream was appropriately represented in the application.

Issue 14: Whether emissions from flares at the proposed terminal were appropriately estimated.

Issue 15: Whether the Best Available Control Technology (BACT) analysis in the permit application was adequate and complete.

Issue 16: Whether the controls proposed in the permit constitute BACT.

Issue 17: Whether the application contains sufficient support that the assumed destruction efficiencies of the flares can be achieved in practice.

Issue 18: Whether the application is sufficient to determine compliance with the assumed destruction efficiencies of the flares.

Issue 19: Whether fugitive emissions were appropriately represented and calculated in the permit application.

Issue 20: Whether the proposed permit contains adequate monitoring requirements for fugitive sources.

Issue 21: Whether the emissions of SO₂ and H₂S were underestimated and therefore excluded the proposed terminal from PSD review.

Issue 22: Whether the application is complete and provides sufficient information for TCEQ to develop a draft permit.

Issue 23: Whether the application lacks air impacts modeling and additional impacts analysis.

Issue 33: Whether there will be an increased risk of accidents and explosions.
3. Long Island Village Owners Association (LIV)

   a. Whether the group or association submitted timely comments on the application.

      LIV submitted a timely comment on the Texas LNG Brownsville, LLC application. The ED has determined that LIV meets this requirement for associational standing.

   b. Whether one or more members of the group or association would otherwise have standing to request a hearing in their own right.

      Ed McBride submitted a timely hearing request on behalf of LIV. According to the hearing request, Mr. McBride is the Vice President of the Board of Directors of LIV and was asked to make this request after the board voted unanimously to oppose the proposed terminal. Mr. McBride did not state his individual location and distance relative to the proposed terminal; however, he stated that the LIV community is located just 1.7 miles south east of the proposed terminal. After reviewing the address provided by Mr. McBride, which is not clearly a residential address, and the plot plan provided by the Applicant, the Executive Director determined the address is located more than one mile from the proposed terminal.

      For air authorizations, distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person's interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of the address provided by Mr. McBride to the relative location of the proposed terminal, his health and safety would not be impacted in a manner different from the general public. Therefore, given that location's distance from the proposed terminal, the ED recommends that the Commission find that Mr. McBride is not an affected person based on the criteria in 30 TAC § 55.203.

      The ED has determined that LIV does not meet this requirement for associational standing.

   c. Whether the interests the group or association seeks to protect are germane to the organization's purpose.

      The hearing request did not state the particular interests of LIV that it seeks to protect. The hearing request described LIV as an island community of more than 2,500 residents, where the majority of home owners are older, retired residents, and many "should be considered part of the 'sensitive group', because we are elderly and have compromised respiratory systems, compromised immune systems, and cardio pulmonary problems." The ED has determined that LIV does not meet this requirement for associational standing.

   d. Whether the claim asserted or the relief requested requires the participation of the individual members in the case.
The relief requested by LIV does not require the participation of any individual member of LIV. Therefore, the ED has determined that LIV meets this requirement for associational standing.

Because LIV does not meet all four of the criteria for associational standing, the ED recommends that the Commission find that LIV is not an affected person.

In its hearing request, LIV raised the following issues:

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

Issue 7: Whether cumulative impacts of surrounding LNG projects were appropriately accounted for in the Air Quality Analysis modeling for this application.

Issue 24: Whether the proposed terminal will release harmful emissions, including PM\(_{2.5}\).

Issue 25: Whether the proximity of the tanker ships used to transport the gas presents a hazard.

Issue 26: Whether contaminants in the ballast water of ships was considered in the application.

Issue 27: Whether the ability of residents to evacuate is compromised in the event of an incident at the proposed terminal or at a related tanker ship.

Issue 33: Whether there will be an increased risk of accidents and explosions.

C. Individual Requestors

1. John Young

The Executive Director reviewed the factors found in 30 TAC § 55.201(c) and (d), and § 55.203 for determining if a person is an affected person, and recommends the Commission find that John Young is not an affected person.

John Young submitted a timely comment that included a hearing request during the comment period. The hearing request was in writing and provided the required contact information. Mr. Young did not state his location and distance relative to the proposed terminal. However, after reviewing the address provided by Mr. Young and the plot plan provided by the Applicant, the Executive Director determined Mr. Young’s residence is located approximately 24 miles from the northwest edge of the proposed terminal. Mr. Young stated that the proposed terminal will negatively affect his health, his community’s health, and the health of everyone who lives in that part of Texas. He stated that he is a member of the “vulnerable population” in health-related research and discussions because he is 74 years old and has a number of health problems.
For air authorizations, distance from the proposed facility is particularly relevant to the issue of whether there is a likely impact of the regulated activity on a person's interests because of the dispersion and effects of individual air contaminants emitted from a facility. The natural resource that is the subject of this permit is the ambient air an individual breathes and, given the distance of Mr. Young's residence to the relative location of the proposed terminal, his health and safety would not be impacted in a manner different from the general public. Therefore, while Mr. Young's hearing request identified personal justiciable interests, given the distance of Mr. Young's residence from the proposed terminal, the ED recommends that the Commission find that Mr. Young is not an affected person based on the criteria in 30 TAC § 55.203.

In his hearing request, Mr. Young raised the following issues:

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

Issue 2: Whether the proposed terminal will negatively impact air quality.

Issue 28: Whether LNG and oil and gas companies are credible.

Issue 29: Whether Texas LNG Brownsville will comply with all applicable EPA regulations in terms of its construction and operations.

Issue 30: Whether Texas LNG Brownsville considered an appropriate radius around the proposed terminal concerning criteria pollutants.

Issue 31: Whether all emissions related to the proposed terminal have been accounted for.

Issue 32: Whether the emissions from the proposed terminal will cause an increase in health care costs.

Issue 34: Whether Texas LNG Brownsville is out of date in its claims that its operation will help reduce rather than increase global greenhouse emissions.

D. Whether Issues Raised are Referable to SOAH for a Contested Case Hearing

The Executive Director has analyzed issues raised in accordance with the regulatory criteria. The issues discussed were raised during the public comment period and addressed in the RTC. None of the issues were withdrawn. For applications submitted on or after September 1, 2015, only those issues raised in a timely comment by a requestor whose request is granted may be referred.4 The issues raised for this application and the Executive Director's analysis and recommendations follow.

Issue 1: Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property.

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4 Tex. Gov't Code § 2003.047(e-1); 30 TAC § 55.211(c)(2)(A)(ii).
This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC, SFRGV, John Young, LIV, and the City of Port Isabel. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 2: Whether the proposed terminal will negatively impact air quality.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC, SFRGV, John Young, the City of Port Isabel, and the City of South Padre Island. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 3: Whether the proposed terminal will negatively impact the local economy, specifically businesses that rely on tourism.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. Any effect the proposed terminal may have on businesses that rely on tourism is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 4: Whether the proposed permit will be protective of welfare, including plants, marine life, animals, and the environment.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC, SFRGV, and the City of Port Isabel. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 5: Whether noise from the proposed terminal will negatively impact surrounding areas and nearby residents.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. Any effect the proposed terminal may have on noise is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 6: Whether the background monitoring concentrations used in the Air Quality Analysis modeling for this application was appropriate.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by the City of Port Isabel and the City of South Padre Island. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 7: Whether cumulative impacts of surrounding LNG projects were appropriately accounted for in the Air Quality Analysis modeling for this application.**
This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by LIV, the City of Port Isabel, and the City of South Padre Island. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 8: Whether Cameron and Hidalgo counties are in attainment for the NAAQS.**

This issue involves an undisputed question of fact. The EPA has designated Cameron and Hidalgo counties as being in attainment with all applicable NAAQS. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 9: Whether the proposed location is suitable for an LNG terminal.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. Terminal location and surrounding land use are not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 10: Whether the proposed permit is protective of dust emissions from the proposed terminal.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by the City of Port Isabel and the City of South Padre Island. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 11: Whether the proposed terminal will negatively impact threatened and endangered species.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant and material to issuance of the permit. The TCEQ does not have jurisdiction over endangered species. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 12: Whether the elevated levels of pollutants will negatively diminish the environment.**

This issue involves a disputed question of fact, was not withdraw, and is relevant and material to the issuance of the permit. This issue was raised by the City of South Padre Island. In the event the Commission finds the city is an affected person, the ED recommends referring this issue to SOAH.

**Issue 13: Whether the composition of the incoming gas stream was appropriately represented in the application.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the
event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 14: Whether emissions from flares at the proposed terminal were appropriately estimated.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 15: Whether the Best Available Control Technology (BACT) analysis in the permit application was adequate and complete.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 16: Whether the controls proposed in the permit constitute BACT.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 17: Whether the application contains sufficient support that the assumed destruction efficiencies of the flares can be achieved in practice.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 18: Whether the application is sufficient to determine compliance with the assumed destruction efficiencies of the flares.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

**Issue 19: Whether fugitive emissions were appropriately represented and calculated in the permit application.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.
Issue 20: Whether the proposed permit contains adequate monitoring requirements for fugitive sources.

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

Issue 21: Whether the emissions of SO₂ and H₂S were underestimated and therefore excluded the proposed terminal from PSD review.

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

Issue 22: Whether the application is complete and provides sufficient information for TCEQ to develop a draft permit.

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

Issue 23: Whether the application lacks air impacts modeling and additional impacts analysis.

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by VBCC and SFRGV. In the event the Commission finds one or more of these hearing requestors is an affected person, the ED recommends referring this issue to SOAH.

Issue 24: Whether the proposed terminal will release harmful emissions, including PM2.5.

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by LIV. In the event the Commission finds that LIV is an affected person, the ED recommends referring this issue to SOAH.

Issue 25: Whether the proximity of the tanker ships used to transport the gas presents a hazard.

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. The proximity of the tanker ships is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

Issue 26: Whether contaminants in the ballast water of ships was considered in the application.
This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. The presence of contaminants in the ballast water of ships is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 27: Whether the ability of residents to evacuate is compromised in the event of an incident at the proposed terminal or at a related tanker ship.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. Evacuation of residents during an incident is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 28: Whether LNG and oil and gas companies are credible.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. The credibility of LNG and oil and gas companies is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 29: Whether Texas LNG Brownsville will comply with all applicable EPA regulations in terms of its construction and operations.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by John Young. In the event the Commission finds that he is an affected person, the ED recommends referring this issue to SOAH.

**Issue 30: Whether Texas LNG Brownsville considered an appropriate radius around the proposed terminal concerning criteria pollutants.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by John Young. In the event the Commission finds that he is an affected person, the ED recommends referring this issue to SOAH.

**Issue 31: Whether all emissions related to the proposed terminal have been accounted for.**

This issue involves a disputed question of fact, was not withdrawn, and is relevant and material to issuance of the permit. This issue was raised by John Young. In the event the Commission finds that he is an affected person, the ED recommends referring this issue to SOAH.

**Issue 32: Whether the emissions from the proposed terminal will cause an increase in health care costs.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. Health care costs are not within the jurisdiction
of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 33: Whether the proposed terminal will cause an increased risk of accidents and explosions.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. An evaluation of the potential for increased risk of accidents and explosions is not within the jurisdiction of the commission under the TCAA. Therefore, the ED recommends not referring this issue to SOAH.

**Issue 34: Whether Texas LNG Brownsville is out of date in its claim that its operation will help reduce rather than increase global greenhouse emissions.**

This issue involves a disputed question of fact and was not withdrawn; however, it is not relevant to issuance of the permit. The proposed terminal did trigger the requirement for a GHG permit. Therefore, the ED recommends not referring this issue to SOAH.

**VIII. CONTESTED CASE HEARING DURATION**

If there is a contested case hearing on this application, the Executive Director recommends that the duration of the hearing be six months from the preliminary hearing to the issuance of a proposal for decision by the administrative law judge.

**IX. CONCLUSION**

The Executive Director recommends the following actions by the Commission:

1. The Executive Director recommends that the Commission find that the City of Port Isabel, the City of South Padre Island, Vecinos Para el Bienestar de la Comunidad Costera, Shrimpers and Fishermen of the RGV, LIV, and John Young are not affected persons and deny their hearing requests.

2. If referred to SOAH, first refer the matter to Alternative Dispute Resolution for a reasonable period.

3. If the Commission finds that any of the hearing requestors are affected persons, refer the following issues to SOAH:

   **Issue 1:** Whether the proposed permit will be protective of human health and safety, including sensitive subgroups, and physical property. (VBCC, SFRGV, John Young, LIV, City of Port Isabel)

   **Issue 2:** Whether the proposed terminal will negatively impact air quality. (VBCC, SFRGV, John Young, City of Port Isabel, City of South Padre Island)

   **Issue 4:** Whether the proposed permit will be protective of welfare, including plants, marine life, animals, and the environment. (VBCC, SFRGV, City of Port Isabel)
Issue 6: Whether the background monitoring concentrations used in the Air Quality Analysis modeling for this application was appropriate. (City of Port Isabel, City of South Padre Island)

Issue 7: Whether cumulative impacts of surrounding LNG projects were appropriately accounted for in the Air Quality Analysis modeling for this application. (LIV, City of Port Isabel, City of South Padre Island)

Issue 10: Whether the proposed permit is protective of dust emissions from the proposed terminal. (City of Port Isabel, City of South Padre Island)

Issue 12: Whether the elevated levels of pollutants will negatively diminish the environment. (City of South Padre Island)

Issue 13: Whether the composition of the incoming gas stream was appropriately represented in the application. (VBCC, SFRGV)

Issue 14: Whether emissions from flares at the proposed terminal were appropriately estimated. (VBCC, SFRGV)

Issue 15: Whether the Best Available Control Technology (BACT) analysis in the permit application was adequate and complete. (VBCC, SFRGV)

Issue 16: Whether the controls proposed in the permit constitute BACT. (VBCC, SFRGV)

Issue 17: Whether the application contains sufficient support that the assumed destruction efficiencies of the flares can be achieved in practice. (VBCC, SFRGV)

Issue 18: Whether the application is sufficient to determine compliance with the assumed destruction efficiencies of the flares. (VBCC, SFRGV)

Issue 19: Whether fugitive emissions were appropriately represented and calculated in the permit application. (VBCC, SFRGV)

Issue 20: Whether the proposed permit contains adequate monitoring requirements for fugitive sources. (VBCC, SFRGV)

Issue 21: Whether the emissions of SO2 and H2S were underestimated and therefore excluded the proposed terminal from PSD review. (VBCC, SFRGV)

Issue 22: Whether the application is complete and provides sufficient information for TCEQ to develop a draft permit. (VBCC, SFRGV)

Issue 23: Whether the application lacks air impacts modeling and additional impacts analysis. (VBCC, SFRGV)

Issue 24: Whether the proposed terminal will release harmful emissions, including PM2.5. (LIV)
Issue 29: Whether Texas LNG Brownsville will comply with all applicable EPA regulations in terms of its construction and operations. (John Young)

Issue 30: Whether Texas LNG Brownsville considered an appropriate radius around the proposed terminal concerning criteria pollutants. (John Young)

Issue 31: Whether all emissions related to the proposed terminal have been accounted for. (John Young)

4. Deny the request for reconsideration filed by John Young.

Respectfully submitted,

Texas Commission on Environmental Quality

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Office of Legal Services

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REPRESENTING THE EXECUTIVE DIRECTOR OF THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
CERTIFICATE OF SERVICE

I certify that on May 20, 2019, the original and seven copies of the Executive Director's Response to Hearing Request for Air Quality Permit 139561 for Texas LNG Brownsville, LLC, was filed with the TCEQ's Office of the Chief Clerk, and a copy was served to all requestors via hand delivery, facsimile transmission, inter-agency mail, electronic submittal, or by deposit in the U.S. Mail.

Sierra Redding
Distance from facility:
Lela Burnell: 19.63 miles
John Young: 24.29 miles